



STATE BOARD OF EQUALIZATION  
PROPERTY TAXES DEPARTMENT  
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June 16, 1999

TO COUNTY ASSESSORS AND INTERESTED PARTIES:

E. L. SORENSEN, JR.  
Executive Director

No. 99/37

### PROPERTY TAX COMMITTEE WORK PLANS FOR 1999

This letter provides information regarding the Property Tax Committee work plans for June through December 1999. The information provided is not a formal agenda for the committee; rather, it is a summary of the committee's plans for dealing with significant property tax issues for the remainder of 1999. Enclosed are two calendars containing (tentative) key dates in the process, one by subject matter and the other by month.

In addition to matters scheduled to go before the Property Tax Committee in 1999, rewrites of Assessors' Handbook Section 541, *Assessment of Public Utilities and Railroads*; and development of a new Section 542, *Assessment of Water Companies*, are projected to start during 1999. Although these manuals are not scheduled to come before the committee until calendar year 2000, staff has also included key 1999 dates relating to them on the two enclosed calendars.

The dates listed are subject to change depending on the needs of the participants. New issues could also arise and affect the schedule.

Property Tax Committee meetings (unless noted otherwise) will be held at Board of Equalization headquarters in Sacramento. Most other meetings will also be held in Sacramento, but alternative locations may be selected depending on the needs of participants.

### **PROPERTY TAX COMMITTEE WORK PLANS**

#### **June 30, 1999**

- Consideration of Interim Guidelines for Valuation of Biopharmaceutical Equipment
- Approval of wording for the revision of:
  - Rules 301-326, *Local Equalization* (phase 1)
- Consideration for repeal of:
  - Rule 466 *Valuation and Enrollment of Trees and Vines*
  - Rule 467 *Taxable Possessory Interests*
  - Rule 470 *Enforceably Restricted Property*

To County Assessors,  
and Interested Parties

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- July 28, 1999**
- Report on issues relating to Unitary Valuation Methods
  - Explanation of revision process for AH 541, *Assessment of Public Utilities and Railroads*
- September 1, 1999**
- Approval of wording for the revision of:
    - Rule 10, *Trade Level for Tangible Personal Property*
    - Rule 133, *Business Inventory Exemption*
    - Rule 124, *Examples*
- October 6, 1999**
- Approval of wording for the revision of Local Equalization Rules (phase 2)
- November 17, 1999**
- Consideration of guidelines for assessment of property valued pursuant to California Constitution article XIII section 11
  - Consideration of Unitary Valuation Methods
  - Presentation of results of the Special Topic Survey Report on *Minimum Percent Good Factors*
- December 8, 1999**
- Presentation of results of the Special Topic Survey Report on the *Assessment of Taxable Possessory Interests*
  - Presentation of results of the Special Topic Survey Report on the *Assessment Coordination Between Real and Personal Property Sections*

These projects will have a significant impact on property tax assessment in California. It is important that the Board staff work closely with taxpayers, county assessors, and other county officials to identify issues and concerns relating to them. Board staff intends to hold meetings, as needed, with taxpayer groups and representatives of the California Assessors' Association and other county departments to discuss and to resolve as many issues as possible prior to the Property Tax Committee meetings.

We hope you find this information useful for planning purposes. If you have questions or comments, please contact Mr. David Gau at (916) 445-4982 or Mr. Stan Siu at (916) 327-5184.

Sincerely,

/s/ Richard C. Johnson

Richard C. Johnson  
Deputy Director  
Property Taxes Department

RCJ:gp

Enclosures

## CALENDAR OF KEY DATES BY SUBJECT MATTER

### **PROPERTY TAX RULES ON LOCAL EQUALIZATION (phase 1)** **Rules 302, 305.5, 307, 308, 308.5, 308.6, 310, 311, 312, 316,** **317, 318, 319, 320, 322, 323, 324, 325, and 326**

**June 2** **1999**

- Staff to meet with interested parties to discuss proposed revised wording and identify issues for presentation to the Board

**June 10**

- Cut-off date for interested parties to provide comments to staff regarding pending issues

**June 30**

- Property Tax Committee to hear presentations on unresolved issues regarding the wording of the revised rules and adopt recommendations for the Board's consideration

### **PROPERTY TAX RULES ON LOCAL EQUALIZATION (phase 2)** **Rules 301, 305, 305.1, 305.2 (New), 309, 313, and 321**

**July 2** **1999**

- Interested parties to provide staff with all issues and alternative wording for the revised rules

**July 19**

- Staff to mail interested parties a matrix summarizing issues raised by all parties

**August 5, 6**

- Staff to meet with interested parties to discuss proposed wording for the revised rules and to identify all issues for presentation to the Board

**September 14**

- Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting

**October 6**

- Property Tax Committee to hear presentations on unresolved issues regarding the wording of the revised rules and adopt recommendations for the Board's consideration

### **PROPERTY TAX RULE 10** **Trade Level for Tangible Personal Property**

**June 7** **1999**

- Staff to mail interested parties a matrix summarizing issues raised by all parties

**June 22**

- Staff to meet with interested parties to discuss proposed wording for the revised rule and to identify all issues for presentation to the Board

**July 16**

- Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting

**September 1**

- Property Tax Committee to hear presentations on unresolved issues regarding the wording of the revised rule and adopt recommendations for the Board's consideration

**PROPERTY TAX RULE 133**  
**Business Inventory Exemption**

**1999**  
**June 7**

- Staff to mail interested parties a matrix summarizing issues raised by all parties

**June 22**

- Staff to meet with interested parties to discuss proposed wording for the revised rule and to identify all issues for presentation to the Board

**August 10**

- Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting

**September 1**

- Property Tax Committee to hear presentations on unresolved issues regarding the wording of the revised rule relating to oak wine and brandy barrels and adopt recommendations for the Board's consideration

**Property Tax Rules 466, 467 and 470**

**1999**  
**June 30**

- Property Tax Committee to consider repeal of rules

**Property Tax Rules 124, Examples**

**1999**  
**September 1**

- Property Tax Committee to hear wording for technical changes

**Interim Guidelines for Valuation of**  
**Biopharmaceutical Equipment**

**1999**  
**June 30**

- Property Tax Committee to hear presentations on interim guidelines for valuation of biopharmaceutical equipment for the Board's consideration

**Unitary Valuation**

**1999**  
**July 28**

- Property Tax Committee to hear presentation of report on issues relating to unitary valuation

**November 17**

- Property Tax Committee to consider issues relating to unitary valuation.

**ASSESSORS' HANDBOOK SECTION 541**  
**Assessment of Public Utilities and Railroads**

**1999**  
**July 1**

- Staff to mail advice letter to interested parties

**July 28**

- Property Tax Committee to hear explanation of revision process

**ASSESSORS' HANDBOOK SECTION 542**  
**Assessment of Water Companies**

**1999**  
**August 2**

- Staff to mail advice letter to interested parties

**Special Topic Survey Report**  
**Minimum Percent Good Factors**

**1999**  
**November 17**

- Property Tax Committee to hear presentation of the results of the Special Topic Survey on Minimum Percent Good Factors

**Special Topic Survey Report**  
**The Assessment of Taxable Possessory Interests**

**1999**  
**December 8**

- Property Tax Committee to hear presentation of the results of the Special Topic Survey on the Assessment of Taxable Possessory Interests

**Special Topic Survey Report**  
**The Assessment Coordination Between Real and Personal Property Sections**

**1999**  
**December 8**

- Presentation of the results of the Special Topic Survey on the Assessment Coordination Between Real and Personal Property Sections.

**Assessment Guidelines**  
**The Assessment of Properties Subject to Article XIII, Section 11**

**1999**  
**August 23**

- Staff to transmit draft guidelines to interested parties

**September 24**

- Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting

**October 1**

- Staff to mail interested parties a matrix summarizing issues raised by all parties

**October 18**

- Staff to meet with interested parties to resolve issues

**November 17**

- Property Tax Committee to hear presentation of the guidelines

## CALENDAR OF KEY DATES BY MONTH

### JUNE 1999

2	<b>Rules 301-326 Local Equalization (phase 1)</b>	Interested parties meeting in Sacramento
7	<b>Rule 10, Trade Level for Tangible Personal Property</b>	Staff to mail interested parties a matrix summarizing issues raised by all parties
7	<b>Rule 133, Business Inventory Exemption</b>	Staff to mail interested parties a matrix summarizing issues raised by all parties
10	<b>Rules 301-326 Local Equalization (phase 1)</b>	Cut-off date for interested parties to provide comments to staff regarding pending issues
22	<b>Rule 10, Trade Level for Tangible Personal Property</b>	Staff to meet with interested parties to discuss proposed wording for the revised rule and to identify all issues for presentation to the Board
22	<b>Rule 133, Business Inventory Exemption</b>	Staff to meet with interested parties to discuss proposed wording for the revised rule and to identify all issues for presentation to the Board
30	<b>Rules 301-326 Local Equalization (phase 1)</b>	Property Tax Committee to hear presentations on unresolved issues regarding the wording of the revised rules and adopt recommendations for the Board's consideration
30	<b>Rule 466 Valuation and enrollment of Trees and Vines</b>	Property Tax Committee to consider repeal of rules
30	<b>Rule 467 Taxable Possessory Interests, and Rule 470, Enforceably Restricted Property</b>	Property Tax Committee to consider repeal of rules
30	<b>Interim Guidelines for Valuation of Biopharmaceutical Equipment</b>	Property Tax Committee to hear presentation of interim guidelines

### JULY 1999

1	<b>AH 541, Assessment of Public Utilities and Railroads</b>	Staff to mail advice letter to interested parties
2	<b>Rules 301-326, Local Equalization (phase 2)</b>	Interested parties to provide staff with all issues and alternative wording for the revised rules
16	<b>Rule 10, Trade Level for Tangible Personal Property</b>	Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting
19	<b>Rules 301-326, Local Equalization (phase 2)</b>	Staff to mail interested parties a matrix summarizing issues raised by all parties
28	<b>Unitary Valuation</b>	Property Tax Committee to hear presentation of report on issues relating to unitary valuation
28	<b>AH 541, Assessment of</b>	Property Tax Committee to hear explanation of the revision process

**Public Utilities and Railroads**

CALENDAR OF KEY DATES BY MONTH (continued)

**AUGUST 1999**

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|------|--|--|
| 2    | <b>AH 542, <i>Assessment of Water Companies</i></b>  | Staff to mail advice letter to interested parties  |
| 5, 6 | <b>Rules 301-326, <i>Local Equalization (phase 2)</i></b>  | Staff to meet with interested parties to discuss proposed wording for the revised rules and to identify all issues for presentation to the Board |
| 10   | <b>Rule 133, <i>Business Inventory Exemption</i></b>   | Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting   |
| 23   | <b>Assessment Guidelines <i>The Assessment of Properties Subject to Article XIII, Section 11</i></b> | Staff to transmit draft guidelines to interested parties   |

**SEPTEMBER 1999**

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|----|---|---|
| 1  | <b>Rule 10, <i>Trade Level for Tangible Personal Property</i></b>                                     | Property Tax Committee to hear presentations on unresolved issues regarding the wording of the revised rule and adopt recommendations for the Board's consideration   |
| 1  | <b>Rule 124, <i>Examples</i></b>  | Property Tax Committee to consider approval of wording for technical changes  |
| 1  | <b>Rule 133, <i>Business Inventory Exemption</i></b>  | Property Tax Committee to hear presentations of unresolved issues regarding the wording of the revised rule relating to oak wine and brandy barrels and adopt recommendations for the Board's consideration |
| 14 | <b>Rules 301-326, <i>Local Equalization (phase 2)</i></b>   | Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting  |
| 24 | <b>Assessment Guidelines <i>The Assessment of Properties Subject to Article XIII, Section 11.</i></b> | Cut-off date for interested parties to contact staff prior to the Property Tax Committee meeting  |

**OCTOBER 1999**

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|----|--|--|
| 1  | <b>Assessment Guidelines <i>The Assessment of Properties Subject to Article XIII, Section 11</i></b> | Staff to mail interested parties a matrix summarizing issues raised by all parties   |
| 6  | <b>Rules 301-326, <i>Local Equalization (phase 2)</i></b>  | Property Tax Committee to hear presentations on unresolved issues regarding the wording of the revised rules and adopt recommendations for the Board's consideration |
| 18 | <b>Assessment Guidelines <i>The Assessment of Properties Subject to Article XIII,</i></b>            | Staff to meet with interested parties to resolve issues  |

## ***Section 11***

### CALENDAR OF KEY DATES BY MONTH (continued)

#### **NOVEMBER 1999**

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|-----------|---|--|
| <b>17</b> | <b>Special Topic Survey Report<br/>on Minimum Percent Good<br/>Factors</b>                                | Property Tax Committee to hear presentation of the results of the survey |
| <b>17</b> | <b>Assessment Guidelines The<br/>Assessment of Properties<br/>Subject to Article XIII,<br/>Section 11</b> | Property Tax Committee to hear presentation of the guidelines            |
| <b>17</b> | <b>Unitary Valuation</b>  | Property Tax Committee to consider issues relating to unitary valuation  |

#### **DECEMBER 1999**

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|----------|---|--|
| <b>8</b> | <b>Special Topic Survey Report<br/>The Assessment of Taxable<br/>Possessory Interests</b>                               | Property Tax Committee to hear presentation of the results of the survey |
| <b>8</b> | <b>Special Topic Survey Report<br/>The Assessment Coordination<br/>Between Real and Personal<br/>Property Sections.</b> | Property Tax Committee to hear presentation of the results of the survey |